



# BUDGET COMMITTEE



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**Senator Judd Gregg's Senate Floor Remarks  
on Federal Spending and the Deficit  
April 29, 2008  
(unofficial transcript)**

Madam President, I wanted to rise and speak briefly here about where we're headed as a government and specifically about what we're passing on to our children, which is regrettably a lot more debt than they deserve.

This year, the federal deficit is projected to be close to \$400 billion. That's up from last year where it was under \$200 billion actually. And that's not a good trend to be driving the deficit up.

It's also not a good trend to be putting on the books program after program after program which will end up costing our children a lot of money and which we borrow from our children to pay for.

This bill brought forward today is enforcing a couple of items that are of questionable need and that are spending money which could much better be used to reduce the debt for our children. Just this year alone we're going to add \$400 billion to our children's backs.

Probably the most significant in this account is something that has nothing to do with air transportation. You can call it the "train to nowhere" or the "fast track to waste." It's the train that they're proposing to build somewhere in New York to go somewhere in New York and which is going to cost \$1.7 billion.

Well, clearly this isn't the right bill for that proposal, but even if it were the right bill, this would not be the appropriate proposal. This is a situation where the folks from New York who are good and decent people have decided to raid the federal Treasury to get some money to pay for something, in a very questionable way, by the way, by basically waiving taxes, which they're not paying to begin with, for state employees. They have decided to raid the federal Treasury for the purposes of building this train to nowhere.

Well, we've seen this before, these specific projects which benefit a specific place which are not defensible. And this certainly falls into that category.

But in the broader context, it becomes even less defensible because of the fact that we're facing such a large deficit. And we're not only facing this very significant deficit of almost \$400 billion, we're constantly adding to that deficit. There are now just within the framework of the walls of this Capitol Building. There aren't four walls -- there are lots of different walls to this Capitol Building. But just within this Capitol is a series of ideas that are being promoted which are also on a fast track, regrettably, a fast track of spending, which are going to end up ballooning the deficit even further than that \$400 billion.

There is, for example, a proposal that's being floated which has merit in concept when it comes to paying for it -- nobody's willing to do that -- which will cost close to \$60 billion. And that's a proposal to dramatically expand the G.I. bill, as it's known.

There is a proposal to expand unemployment insurance even in states where unemployment has really not hit the numbers that represent an historical problem or an immediate problem. Traditionally, unemployment under 6% or 5.5% is deemed to be full employment. And in much of this country today, many states have unemployment under 5.5%. But there is a proposal to expand the number of weeks a person can claim unemployment even in states where there is essentially full employment.

There are proposals in the Farm Bill, which has all sorts of gimmicks and all sorts of machinations to cover its cost and claim that it's paid for, which will cost billions and billions of dollars. The Farm Bill itself is a \$285 billion bill.

Huge expenditures are coming down the pike here which are going to have to be paid for by our children.

There are proposals for further relief for Katrina of \$5 billion. There are food stamp proposals of billions of dollars. There are Byrne grants, competitiveness grants, county payments, bureau of prisons. All these ideas are floating around this Capitol as being ideas that we should spend more money on.

Well, most of them have good and reasonable arguments behind them, but the problem is that they also, almost in every case, end up passing more debt on to our children. And in many instances, especially the train to nowhere in New York, you can't justify it. It is wasteful spending at the expense of our children and it's inappropriate. Because this debt is building up and up and up. And as a result, paying off this debt is going to mean that the taxes on our children are going to have to go up and up and up as they move into their earning years.

And the practical effect of that is that the next generation -- our children and our children's children -- are not going to be able to afford as high quality of a lifestyle as our generation has because they'll have to be paying so much to support the federal government and the debts of the federal government.

They won't be able to afford to send their kids to college, assuming college is even affordable at that time. They won't be able to buy that first home. They won't be able to live the high quality of lifestyle that has become the nature and character of the American life, because the cost of the government which we have incurred today will have to be paid for tomorrow. And it's not fair, and it's not right.

You know, it used to be around here that people talked about the deficit a lot and that they used to point to it as a failure of our government. And there used to be genuine efforts to try to reduce the deficit on the spending side of the ledger from our side of the aisle and on the other side of the aisle by raising taxes.

But that discussion has waned, and there is no focus right now on the deficit, I suspect in large part because we now have a Democratic Congress, and deficit spending is justifiable if it meets an interest group's claims that they have a right to this money or that they feel should have a program, such as the train to nowhere in New York, which is promoted by our colleagues from the other side of the aisle who represent New York.

But in the end, if we don't return to the basic concept that every family in America has to confront -- which is that you need to pay your bills as they come in, and you just can't put too much money on the credit card because that means down the road you're not going to be able to pay that credit card and you're going to have to suffer significant contraction as a family, if we don't face up to that real day-to-day existence that most Americans must realize as far as how they're spending meets their income -- if we don't as a government face up to that, we're going to fundamentally undermine our nation. And we're certainly going to do significant damage to our children and their future.

You know, we talk a lot now about the weakness of the American dollar and how that's caused the price of gasoline to jump dramatically, which it has. The weak dollar has caused energy costs and commodities which are not produced in the United States, those prices have been driven up in large part by the fact that the dollar has weakened so much.

Well, one of the drivers of a weak dollar is a belief in the international community that we are not going to put our fiscal house in order, that we're going to continue to run deficits that are excessive. And that's what we're doing, as a Congress.

So we have some responsibility here. And, you know, you can't make great progress unless you begin somewhere. And so a good place to begin might be to take this \$1.7 billion that's proposed in this bill to spend for the train to nowhere or the fast track to waste and eliminate that program and take the revenues that are alleged to be used to offset that program and use them to reduce the debt on our children's heads. That makes progress.

Granted, in the overall scheme of things, it's not a huge amount of money compared to the total debt that's being incurred, even this year the \$400 billion, but you've got to start somewhere, and this would be a good place to start. Let's stop the wasteful spending which is adding to the federal debt, which inevitably will undermine the quality of life of

this nation and especially pass on to our children obligations which there is no reason that we should ask them to bear.

Madam President, I yield the floor.

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